BALANCED BUDGET ACT/Entitlement to More Part B Premium Assistance

SUBJECT: Balanced Budget Act of 1997 . . . S. 947. Specter motion to waive the Budget Act for the consideration of the Domenici (for Specter) amendment No. 469.

ACTION: MOTION REJECTED, 52-48

SYNOPSIS: As reported, S. 947, the Balanced Budget Act of 1997, will make net mandatory spending reductions to achieve the savings necessary to balance the budget by 2002 and to provide the American people with tax relief. This bill is the first reconciliation bill that is required by H.Con. Res. 84, the Budget Resolution for fiscal year (FY) 1998 (see vote No. 92). The second bill will provide tax relief (see vote No. 160).

The Domenici (for Specter) amendment would replace the \$1.5 billion over 5 years block grant to the States to increase the subsidization of Medicare premiums for low income beneficiaries with an expansion of the existing Medicare entitlement subsidy. More specifically, it would phase in over 5 years premium subsidies for beneficiaries who have incomes up to 150 percent of poverty (currently, premium subsidies are provided for beneficiaries who have incomes up to 120 percent of poverty).

The amendment was offered after all debate time had expired. However, by unanimous consent some debate was permitted. After debate, Senator Domenici raised the point of order that the Specter amendment violated the germaneness requirement of the Budget Act. Senator Specter then moved to waive the Budget Act for the consideration of the amendment. Generally, those favoring the motion to waive favored the amendment; those opposing the motion to waive opposed the amendment.

NOTE: A three-fifths majority (60) vote is required to waive the Budget Act. Following the failure of the motion to waive, the point of order was upheld and the amendment thus fell.

Those favoring the motion to waive contended:

The premium increases in this bill are permanent, but the increased assistance for low-income beneficiaries to pay those higher

(See other side)

YEAS (52)			NAYS (48)			NOT VOTING (0)	
Republicans	Democrats (45 or 100%)		Republicans (48 or 87%)		Democrats (0 or 0%)	Republicans	Democrats (0)
(7 or 13%)						(0)	
Bond Collins D'Amato Jeffords Santorum Snowe Specter	Akaka Baucus Biden Bingaman Boxer Breaux Bryan Bumpers Byrd Cleland Conrad Daschle Dodd Dorgan Durbin Feingold Feinstein Ford Glenn Graham Harkin Hollings Inouye	Johnson Kennedy Kerrey Kerry Kohl Landrieu Lautenberg Leahy Levin Lieberman Mikulski Moseley-Braun Moynihan Murray Reed Reid Robb Rockefeller Sarbanes Torricelli Wellstone Wyden	Abraham Allard Ashcroft Bennett Brownback Burns Campbell Chafee Coats Cochran Coverdell Craig DeWine Domenici Enzi Faircloth Frist Gorton Gramm Grams Grassley Gregg Hagel Hatch	Helms Hutchinson Hutchison Inhofe Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Roberts Roth Sessions Shelby Smith, Bob Smith, Gordon Stevens Thomas Thompson Thurmond Warner		EXPLANAT 1—Official 1 2—Necessar 3—Illness 4—Other SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired	illy Absent unced Yea unced Nay Yea

VOTE NO. 121 JUNE 25, 1997

premiums is not. The Specter amendment would rectify this inequity by making the assistance as permanent as the increased costs. Like the block grant program in the bill, the Specter amendment would increase assistance for senior citizens up to 150 percent of poverty. Unlike the block grant program, the Specter amendment would not require the creation of any new bureaucracy, because it would simply expand on an existing program. The Specter amendment is fair and it would cost less to administer; we urge Senators to waive the Budget Act for its consideration.

Those opposing the motion to waive contended:

The bipartisan budget agreement that was negotiated between both parties and the White House calls for \$1.5 billion in extra Medicare premium assistance. It does not call for an open-ended expansion of an existing entitlement. Medicare is going broke because of runaway entitlement spending; we should not endanger it further by stepping on the accelerator with even more entitlement spending. Also, the approach in the underlying bill is to give the States the money as a block grant, which will give them the greatest flexibility possible in designing programs to meet the particular needs of their Medicare beneficiaries. We generally oppose uniform Federal solutions; the huge successes we are seeing with the welfare reform legislation enacted last Congress show the wisdom of giving the States room to devise their own programs (welfare rolls are down by more than 20 percent on average, and they are down because people have been successfully moved off of welfare and into work). Thus, both to protect Medicare and to better spend the \$1.5 billion in extra assistance that will be given in the next 5 years, we urge our colleagues to reject the motion to waive.